

SSB 5617 - S AMD
By Senator Parlette

1 Strike everything after the enacting clause and insert the
2 following:

3 " **Sec. 1.** RCW 41.26.500 and 1998 c 341 s 604 are each amended to
4 read as follows:

5 (1) ~~((No))~~ Except as provided under subsection (3) or (4) of this
6 section, a retiree under the provisions of plan 2 shall not be eligible
7 to receive such retiree's monthly retirement allowance if he or she is
8 employed in an eligible position as defined in RCW 41.40.010,
9 41.32.010, or 41.35.010, or as a law enforcement officer or fire
10 fighter as defined in RCW 41.26.030. If a retiree's benefits have been
11 suspended under this section, his or her benefits shall be reinstated
12 when the retiree terminates the employment that caused his or her
13 benefits to be suspended. Upon reinstatement, the retiree's benefits
14 shall be actuarially recomputed pursuant to the rules adopted by the
15 department.

16 (2) The department shall adopt rules implementing this section.

17 (3) Except as provided under subsection (4) of this section, a
18 member or retiree who becomes employed in an eligible position as
19 defined in RCW 41.40.010, 41.32.010, or 41.35.010 shall have the option
20 to enter into membership in the corresponding retirement system for
21 that position. A retiree who elects to enter into plan membership
22 under the provisions of this subsection shall have his or her benefits
23 suspended as provided in subsection (1) of this section. A retiree who
24 does not elect to enter into plan membership under the provisions of
25 this subsection shall continue to receive his or her benefits without
26 interruption until the retiree has rendered service for more than eight
27 hundred sixty-seven hours in a calendar year.

28 (4) A member or retiree who is elected or appointed to the
29 legislature pursuant to Article II of the state Constitution shall have
30 the option to enter into membership in the public employees' retirement
31 system as outlined in chapter 41.40 RCW. A retiree who elects to enter
32 into public employees' retirement system membership under the
33 provisions of this subsection shall have his or her benefits suspended

1 as provided in subsection (1) of this section. A retiree who does not
2 elect to enter into public employees' retirement system membership
3 under the provisions of this subsection shall continue to receive his
4 or her benefits without interruption for the duration of his or her
5 legislative service.

6 **Sec. 2.** RCW 41.26.500 and 2004 c 242 s 54 are each amended to read
7 as follows:

8 (1) ~~((No))~~ Except as provided under subsection (3) or (4) of this
9 section, a retiree under the provisions of plan 2 shall not be eligible
10 to receive such retiree's monthly retirement allowance if he or she is
11 employed in an eligible position as defined in RCW 41.40.010,
12 41.32.010, 41.37.010, or 41.35.010, or as a law enforcement officer or
13 fire fighter as defined in RCW 41.26.030. If a retiree's benefits have
14 been suspended under this section, his or her benefits shall be
15 reinstated when the retiree terminates the employment that caused his
16 or her benefits to be suspended. Upon reinstatement, the retiree's
17 benefits shall be actuarially recomputed pursuant to the rules adopted
18 by the department.

19 (2) The department shall adopt rules implementing this section.

20 (3) Except as provided under subsection (4) of this section, a
21 member or retiree who becomes employed in an eligible position as
22 defined in RCW 41.40.010, 41.32.010, 41.35.010, or 41.37.010 shall have
23 the option to enter into membership in the corresponding retirement
24 system for that position. A retiree who elects to enter into plan
25 membership under the provisions of this subsection shall have his or
26 her benefits suspended as provided in subsection (1) of this section.
27 A retiree who does not elect to enter into plan membership under the
28 provisions of this subsection shall continue to receive his or her
29 benefits without interruption until the retiree has rendered service
30 for more than eight hundred sixty-seven hours in a calendar year.

31 (4) A member or retiree who is elected or appointed to the
32 legislature pursuant to Article II of the state Constitution shall have
33 the option to enter into membership in the public employees' retirement
34 system as outlined in chapter 41.40 RCW. A retiree who elects to enter
35 into public employees' retirement system membership under the
36 provisions of this subsection shall have his or her benefits suspended
37 as provided in subsection (1) of this section. A retiree who does not
38 elect to enter into public employees' retirement system membership

1 under the provisions of this subsection shall continue to receive his
2 or her benefits without interruption for the duration of his or her
3 legislative service.

4 **Sec. 3.** RCW 41.04.270 and 2001 c 180 s 4 are each amended to read
5 as follows:

6 (1) (~~Notwithstanding any provision of~~) Except as provided in
7 chapter 2.10, 2.12, 41.26, 41.28, 41.32, 41.35, 41.40, or 43.43 RCW
8 (to the contrary), on and after March 19, 1976, any member or former
9 member who (a) receives a retirement allowance earned by said former
10 member as deferred compensation from any public retirement system
11 authorized by the general laws of this state, or (b) is eligible to
12 receive a retirement allowance from any public retirement system listed
13 in RCW 41.50.030, but chooses not to apply, or (c) is the beneficiary
14 of a disability allowance from any public retirement system listed in
15 RCW 41.50.030 shall be estopped from becoming a member of or accruing
16 any contractual rights whatsoever in any other public retirement system
17 listed in RCW 41.50.030: PROVIDED, That (a) and (b) of this subsection
18 shall not apply to persons who have accumulated less than fifteen years
19 service credit in any such system or to persons receiving a retirement
20 allowance under RCW 41.26.430.

21 (2) Nothing in this section is intended to apply to any retirement
22 system except those listed in RCW 41.50.030 and the city employee
23 retirement systems for Seattle, Tacoma, and Spokane. Subsection (1)(b)
24 of this section does not apply to a dual member as defined in RCW
25 41.54.010.

26 NEW SECTION. **Sec. 4.** Section 1 of this act expires July 1, 2006.

27 NEW SECTION. **Sec. 5.** Section 1 of this act is necessary for the
28 immediate preservation of the public peace, health, or safety, or
29 support of the state government and its existing public institutions,
30 and takes effect immediately.

31 NEW SECTION. **Sec. 6.** Section 2 of this act takes effect July 1,
32 2006."

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4 On page 1, on line 1 of the title, after "ACT", strike everything
5 through line 3 of the title and insert "Relating to suspending a
6 retirement allowance upon reemployment; amending RCW 41.04.270,
7 41.26.500 and 41.26.500; providing an effective date; providing an
8 expiration date; and declaring an emergency."

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EFFECT: Allows retired members of the Law Enforcement Officers' and Fire Fighters' Retirement System, Plan 2 (LEOFF 2) to work up to 867 hours per year in a position eligible for membership in another state retirement system while receiving LEOFF 2 retirement benefits, provided that they do not choose to enroll in the retirement system for which the new position is eligible. State legislators are exempt from the 867 hour limit.